



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | NOVEMBER 9, 2022**

DIRECTORS PRESENT

Ed Mandich, Committee Chair
Don Chadd, Committee Chair Alternative

DIRECTORS ABSENT

Glenn Acosta, Committee Member

STAFF PRESENT

Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Lorrie Lausten, District Engineer
Lisa Sangi, Executive Assistant

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Director Mandich called the November 9, 2022 Finance/Audit Committee Meeting to order at 1:00 p.m.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

There were no comments received.

REPORT FROM THE ASSISTANT GENERAL MANAGER

Mr. Perea reported that Mr. Paludi was out of the office, returning on Monday, November 14, 2022, and he added that the District's Administration Facility will be closed on Friday, November 11, 2022 in observance of the Veteran's Day Holiday.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Perea presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda.

RECOMMENDED ACTION(S)

Mr. Perea and Director Mandich approved the Finance/Audit Committee Meeting Recap and recommended that the Board receive and file the same (Consent Calendar).

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ITEM 2: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Perea presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review. Director Mandich mentioned that the OC Watershed meeting will be held on November 17, 2022. Mr. Perea indicated the meeting schedule would be updated as such.

RECOMMENDED ACTION:

The Committee recommended that the Board ratify the Directors' fees and expenses for October 2022 and tentative future meetings/attendance. (Action Calendar).

ITEM 3: OTHER MATTERS

Mr. Perea provided a brief project update on the District's AMR/AMI Implementation project, and he reported that a mistake was made in the project bid concerning the two-inch meters originally ordered as positive displacement but need to be changed to turbine meters. Mr. Perea mentioned that he is currently negotiating with Ferguson for a project credit for the appropriate meters, and he will have more information to report later. There was a brief discussion on the meter installation schedule.

RECOMMENDED ACTION:

There was no action taken.

ITEM 4: FINANCIAL REPORT

Ms. Warner presented the preliminary unaudited financials for September 2022, and she highlighted the following items:

Operating Revenue, Water Commodity Sales

Ms. Warner reported that this line item was higher than the year to date due to the current warmer weather conditions.

Operating Revenue, Baker Treatment Plant Sales

Ms. Warner reported that this line item was lower than budgeted for year to date due to less water sales to the City of San Clemente.

Operating Revenue, Reclaimed Water Sales

Ms. Warner reported that water demand for the month was significantly higher than the year to date due to increased system demands.

Operating Revenue, Recycled Water Sales

Ms. Warner reported that water demand for the month was higher than the year to date due to increased system demands.

Operating Expense, Source of Supply

Ms. Warner reported that this line item was higher than budgeted for the year due to increased electrical and chemical costs for treatment.

District Capital FY 2022-23 (Unaudited)

Ms. Warner reviewed the capital expenditures to date by project, and provided a brief overview of the September costs.

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RECOMMENDED ACTION:

The Committee signed the bills for consideration and the warrant register and recommended that the Board ratify payment of the bills for consideration for November 9, 2022 as presented (Consent Calendar).

ADJOURNMENT

Director Mandich adjourned the November 9, 2022 Finance/Audit Committee Meeting at 1:11 p.m.